

# Town of Frederick Board of Trustees



Eric Doering, Mayor

Tony Carey, Mayor Pro Tem  
Amy Schiers, Trustee  
Sue Wedel, Trustee

Rafer Burnham, Trustee  
Fred Skates, Trustee  
Jim Wollack, Trustee

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AM 2010-090

## ACCEPTANCE OF THE 2009 AUDIT AS PREPARED BY DAN SCHOMMER, C.P.A., OF WATKINS & SCHOMMER, INC.

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**Agenda Date:** Town Board Meeting - September 28, 2010


**Attachments:**

- a. 2009 Audit
- b. Auditor's letter regarding their responsibilities.
- c. Auditor's letter regarding internal control.

**Fiscal Note:** None noted or provided Fiscal note

  
Administrative Services Director

**Submitted by:** Bryan Ostler   
Bryan Ostler, Administrative Services Director

**Approved for Presentation:**   
Town Administrator

**AV Use Anticipated** Projector \_\_\_\_\_ Laptop \_\_\_\_\_

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**Certification of Board Approval:**

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Date

### **Summary Statement:**

Dan Schommer, C.P.A., of Watkins & Schommer Inc., has completed the 2009 Audit and prepared it for acceptance by the Town Board of Trustees.

### **Detail of Issue/Request:**

Preparations and work on the audit have taken place throughout this year for the year ending 2009. After verifying and analyzing the financial information provided by Finance Division, the auditor has provided the accompanying report on the audit for acceptance by the Town Board of Trustees.

### **Legal/Political Considerations:**

Now that the Finance Division was fully staffed as of June 1, 2010, we have had the resources to begin pulling the information and creating the summary reports necessary to proceed with the onsite audit. Staff met with the Town's auditor numerous times (in March and June) to keep them abreast of the hiring process and reestablishing a new timeline for the audit. Staff began compiling this information and working on the summary reports immediately after the Finance Manager was hired, and we have set a target date of July 18th to have the information ready for an onsite audit that took place on July 20, 2010, to have the audit completed before the end of July. As mentioned previously, the preparation pre-audit list typically takes two months to complete; staff worked expeditiously to complete this process in four weeks to meet the July 18<sup>th</sup> deadline. However, because of some extenuating circumstances that have come up in relation to the auditor and the transition of staff and the implementation of the new software system, the audit has taken longer than anticipated.

Even with the delay in completing the audit this year, the Town is still in compliance, with the audit extension that was brought before the Board of Trustees at the July 13<sup>th</sup> regular Board meeting, with the state regulations *C.R.S. Sections 29-1-604 and 29-1-606* in meeting the deadlines of filing the audit with the state.

### **Alternatives/Options:**

Postponing the acceptance of the audit is an option, but it could jeopardize the required time frame as established under *C.R.S. Sections 29-1-604 and 29-1-606*.

### **Financial Considerations:**

The Town budgeted for \$7,200 to complete the audit, it is estimated that the statement from Watkins & Schommer is will be for the amount proposed in the 2010 budget.

### **Staff Recommendation:**

Staff recommends the acceptance of the 2009 Audit.